nonfluid ingredients used in reconstituted fluid milk products cannot be determined by the market administrator.

[38 FR 4649, Feb. 20, 1973, as amended at 58 FR 27831, May 11, 1993; 60 FR 45577, Aug. 31, 1995]

§1040.77 Adjustment of accounts.

Whenever audit by the market administrator of any handler's reports, books, records, or accounts discloses adjustments to be made, for any reason, which result in moneys due:

- (a) To the market administrator from such handler;
- (b) To such handler from the market administrator; or
- (c) To any producer or cooperative association from such handler, the market administrator shall promptly notify such handler of any such amount due, and payment thereof shall be made on or before the next date for making payment set forth in the provisions under which such error occurred, following the fifth day after such notice.

§ 1040.78 Charges on overdue accounts.

Any unpaid obligation of a handler or of the market administrator pursuant to §§1040.71, 1040.77, 1040.85, and 1040.86, shall be increased one-half of 1 percent on the first day of the month next following the due date of such obligation and on the first day of each month thereafter until such obligation is paid.

ADMINISTRATIVE ASSESSMENT AND MARKETING SERVICE DEDUCTION

§ 1040.85 Assessment for order administration.

As his pro rata share of the expense of administration of the order, each handler (excluding a handler described in §1040.9(c) with respect to milk delivered to pool plants) shall pay to the market administrator on or before the 13th day after the end of the month 4 cents per hundredweight, or such lesser amount as the Secretary may prescribe, with respect to:

- (a) Producer milk (including milk of such handler's own production);
- (b) Receipts of concentrated fluid milk products from unregulated supply plants and receipts of nonfluid milk

products assigned to Class I use pursuant to §1040.43(e) and other source milk allocated to Class I pursuant to §1040.44(a)(7) and (a)(11) and the corresponding steps of §1040.44(b), except such other source milk that is excluded from the computations pursuant to §1040.60(d) and (f); and

(c) Route disposition in the marketing area from a partially regulated distributing plant that exceeds the skim milk and butterfat subtracted pursuant to §1040.76(a)(2).

[38 FR 4649, Feb. 20, 1973, as amended at 58 FR 27832, May 11, 1993; 60 FR 45578, Aug. 31, 1995]

§ 1040.86 Deduction for marketing services.

- (a) Except as set forth in paragraph (b) of this section, each handler, in payments pursuant making §1040.73(a) for milk received from each producer (including milk of such handler's own production) at a plant not operated by a cooperative association of which such producer is a member shall deduct 7 cents per hundredweight, or such amount not exceeding 7 cents per hundredweight as the Secretary may prescribe, and, on or before the 13th day after the end of each month, shall pay such deductions to the market administrator. Such moneys shall be used by the market administrator to verify weights, samples, and tests of milk received from producers and to provide producers with market information, such services to be performed by the market administrator or by an agent engaged by and responsible to him;
- (b) In the case of producers whose milk is received at a plant not operated by a cooperative association of which such producers are members, for which payment is not made pursuant to §1040.73(b) or (c), and for whom a cooperative association is actually performing the services described in paragraph (a) of this section, as determined by the Secretary, each handler shall make, in lieu of the deductions specified in paragraph (a) of this section, such deductions from payments required pursuant to §1040.73 as may be authorized by such producers, and pay such deductions on or before the 13th day after the end of the month to the